

**RAILROAD COMMISSION OF TEXAS
HEARINGS DIVISION**

OIL & GAS DOCKET NO. 01-0308862

DENYING THE APPLICATION OF 4 HALFCIRCLE REMEDIATION, LLC FOR A PERMIT TO OPERATE A COMMERCIAL OIL AND GAS SOLID WASTE RECYCLING FACILITY FOR THE MCMULLEN COUNTY COMMERCIAL RECYCLING FACILITY, APPLICATION, CONTROL NOS. CN-0120, CN-012430, CN-012523 (A THROUGH F), CN-012524 (A THROUGH F), CN-012525, CN-012526 AND CN-012553, MCMULLEN COUNTY, TEXAS

FINAL ORDER

The Commission finds that after statutory notice in the above-numbered docket heard on July 16-18, 2018, the Technical Examiner and Administrative Law Judge (collectively the "Examiners") have made and filed a report and proposal for decision containing findings of fact and conclusions of law, which was served on all parties of record; that the proposed application of 4 Halfcircle Remediation, LLC is not in compliance with all statutory requirements; and that this proceeding was duly submitted to the Railroad Commission of Texas at conference held in its offices in Austin, Texas.

The Commission, after review and due consideration of the Examiners' report and proposal for decision, the findings of fact and conclusions of law contained therein, and any exceptions and replies thereto, hereby adopts as its own the findings of fact and conclusions of law contained therein and incorporates said findings of fact and conclusions of law as if fully set out and separately stated herein.

Therefore, it is **ORDERED** by the Railroad Commission of Texas that the application of 4 Halfcircle Remediation, LLC to construct and operate a commercial stationary treatment and recycling facility, in McMullen County, Texas is hereby **DENIED**.

Each exception to the Examiners' proposal for decision not expressly granted herein is overruled. All requested findings of fact and conclusions of law which are not expressly adopted herein are denied. All pending motions and requests for relief not previously granted or granted herein are denied.

It is further **ORDERED** by the Commission that this order shall not be final and effective until 25 days after the Commission's order is signed, unless the time for filing a motion for rehearing has been extended under Tex. Gov't Code §2001.142, by agreement under Tex. Gov't Code §2001.147, or by written Commission Order issued pursuant to Tex. Gov't Code §2001.146(e). If a timely motion for rehearing of an application is filed by any party at interest, this order shall not become final and effective until such motion is overruled, or if such motion is granted, this order shall be subject to further action by the Commission.

Pursuant to Tex. Gov't Code §2001.146(e), the time allotted for Commission action on a motion for rehearing in this case prior to its being overruled by operation of law is hereby extended until 90 days from the date Commission Order is signed.

Signed this 23rd day of January, 2019.

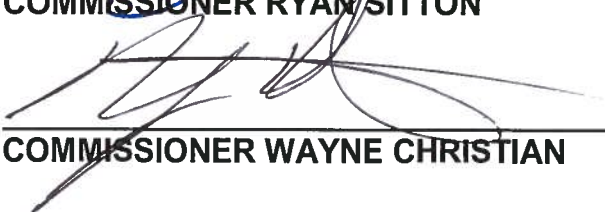
RAILROAD COMMISSION OF TEXAS



CHAIRMAN CHRISTI CRADDICK


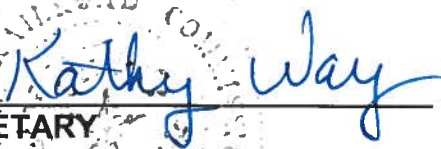


COMMISSIONER RYAN SITTON



COMMISSIONER WAYNE CHRISTIAN

ATTEST:

SECRETARY

01/23/19 CASE SUMMARY

PREPARED BY: Richard Eyster, P.G. Technical Examiner

EXAMINERS: Richard Eyster, P.G. and Clayton J. Hoover, ALJ.

STATUS: No Exceptions and Replies Filed

DOCKET NO./CASE NAME: Oil & Gas Docket No. 01-0308862 The Application of 4 Halfcircle Remediation, LLC Pursuant to Statewide Rules 4, 8 and 78 (16 Tex. Admin. Code §§ 3.4, 3.8 and 3.78), for a Permit to Construct and Operate a Commercial Stationary Treatment and Recycling Facility, McMullen County, Texas

ISSUES:

1. Whether the subject application meets the requirements of 16 Tex. Admin. Code §§ 3.4, 3.8 and 3.78
2. Whether the proposed facility will not result in the waste of oil, gas, or geothermal resources or the pollution of surface or subsurface waters.

KEY FACTS:

1. Following two administrative denials 4 Halfcircle Remediation, LLC (4HC) applied for a hearing on January 26, 2018.
2. A final facility design was not submitted as part of the application.
3. The proposed facility will occupy 8 acres of a 568 acre tract about 20 miles south of Tilden, McMullen County, Texas.
4. The proposed treatment pits and receiving pit are not designed with sufficient capacity to hold the predicted contact storm water runoff from a 25-year precipitation event with 2 feet of freeboard.
5. The proposed remediation plan will not adequately treat the wastes to Commission treatment standards for road base or reusable product.
6. There is no process to remediate metals.
7. Evidence shows the operation of 4HC's facility may pollute surface or subsurface waters:
 - a. The site is underlain by silts and silty clays, sands and low permeable sediments.
 - b. Shallow highly saline groundwater is confined within the low permeability sediments located 12-20 feet below ground level.
 - c. The primary source of drinking water, the Carrizo Aquifer, is found at a depth of over 4,000 feet.
 - d. A groundwater monitoring plan was not submitted in the application or hearing.
 - e. A stormwater management plan was not submitted in the application or hearing.
 - f. The disposal pits, staging pads, liquid storage tanks will only have a single high-density polyethylene (HDPE) 60 mil synthetic liner with no leachate or leak detection systems, no compacted subgrade, or a Geosynthetic Clay Liner. The remainder of the site is unlined
 - g. The receiving pad and truck wash will be constructed of concrete
 - h. The facility has not been designed to protect nearby surface water, a designated wetlands is located downgradient of the single the perimeter berm.
 - i. Native soils are not suitable for berm construction.
8. A Spill Prevention Control and Countermeasures Plan was not prepared or submitted to the Commission for approval.
9. Waste of oil, gas or geothermal resources will result from the proposed recycling operation.

LEGAL PRINCIPLES INVOLVED: The Examiners conclude the application **Does Not** meet the requirements of 16 Tex. Admin. Code §§ 3.4, 3.8 and 3.78.

The proposed facility will result in the waste of oil, gas, or geothermal resources or the pollution of surface or subsurface waters.

ACTION REQUESTED: Deny the application.